

Parkergrams

THE PARKER PEN COMPANY — JANESVILLE, WISCONSIN

Volume 3 No. 2

For Fountain Pen and Ink Dealers

February 1948

A Look At Christmas Sales And At Resultant Inventories

In this article we'll try to give you a factual and statistically accurate picture of what happened across the nation in the pen business during the Christmas season, and the current retail inventory situation. It should provide every dealer an analysis of his own sales and inventory in relation to his market area and the national average.

This is not a Parker sales story. The facts and figures have been compiled from several thousand store contacts in all sections of the country. We needed this data as much as dealers do, maybe more because we have to play all the keys on the piano, not just one octave of them.

In cities of 100,000 or more, the Christmas pen business as a whole compared with what dealers regard as normal for the season was reported excellent in 36 per cent of the contacts, good in 53.5 per cent, fair in 10.5.

Cities in the 25,000-100,000 population bracket did excellently in only 10 per cent, good in 69.1 and fair, 20.9.

Towns under 25,000 reported excellent pen business in 8.3 per cent of the cases, good in 38.5, fair in 53.2.

No major area reported poor pen business. Sectionalizing the country, here is how the respondents reported on Parker, Sheaffer, Eversharp, and Waterman sales in the Eastern states. The figures are percentages. They add up to 100 per cent for each pen maker.

	Parker	Sheaffer	Eversharp	Waterman
Excellent	43.6	—	—	—
Good	53.1	67.5	—	5.4
Fair	5.1	32.5	77.8	86.8
Poor	—	—	22.2	7.9

In the Southern States:

	Parker	Sheaffer	Eversharp	Waterman
Excellent	37.9	6.9	—	—
Good	58.6	72.4	—	7.1
Fair	3.4	20.7	78.6	67.9
Poor	—	—	21.4	25.0

In the Midwest States:

	Parker	Sheaffer	Eversharp	Waterman
Excellent	45.5	13.6	—	—
Good	45.5	50.0	2.3	—
Fair	9.0	29.5	39.5	45.2
Poor	—	6.8	58.1	54.8

In the Western States:

	Parker	Sheaffer	Eversharp	Waterman
Excellent	45.5	4.5	—	—
Good	54.5	81.8	—	4.8
Fair	—	13.7	77.3	76.2
Poor	—	—	22.7	19.0

The report on inventories generally paralleled the sales figures. If there are requests for it, we can supply a sectional breakdown, but here is the national picture. Figures are percentages of dealers reporting large, medium, small, or no inventory.

Retail Inventory	Parker	Sheaffer	Eversharp	Waterman
Large	10.2	27.3	58.7	53.8
Medium	62.5	63.6	23.1	19.2
Small	27.3	9.1	18.2	15.4
None	—	—	—	11.5

We will not try to draw any conclusions for you. In general this is the sort of information most manufacturers prefer to keep to themselves. But we feel that it will be almost as valuable to us out loud as it would be hidden under the mattress, and the chances are pretty slim of anybody else making it available to you. If there is data here of use to you in corroborating your own thinking about an inventory control plan, grab ahold.

Forbes Indexes Indicate Prosperity

Nearly everybody in business today is making use of everything from a divining rod to a barometer to get a line on what's going to happen in 1948.

A rather useful gadget for determining the presence or absence of gold dust in the air is Forbes monthly recap of business conditions. This chart breaks the country down into economic areas in which conditions are dependent on the same key factors, and then contrasts the business index in each area with that of the previous month and the previous year.

This chart makes no effort to forecast coming events. There's no guarantee in it. But if you take the data provided and mix it well with a fistful of facts culled from your own observations, you can make your own private guess at what to expect in the immediate future.

The latest of these reports we have seen was dated January 15. The index shows business throughout the country running well ahead of January 1947, with gains ranging from 11 per cent in the Midwest to 5 along the Pacific Coast. Other sections of the country: South Central up 9 per cent, Mountain 8, New England and the Middle Atlantic states 7, Southern and North Central 6.

You might be surprised to hear that Pueblo

(continued on page 8 column 1)



The signatures on these contracts transformed the signers from a pair of Irish All-Americans into a couple of Bears. The picture was taken when Johnny Lujack (left) and George Connor (right) of Notre Dame signed up for the 1948 season with the Chicago Bears. In the background is George Halas, owner-coach of the Bears.

Parkergrams: BACK TALK

Word Economy

Three of the most succinct contributions we have ever had to Back Talk landed on our desk recently.

F. B. Macmillan of Hobbs and Warren, Inc. in Boston returned a letter—scissored out of the December issue—in which E. H. Rouse had pointed out the sins of the Superchrome package. Under the letter Mr. Macmillan penned his one word message—"AMEN."

A comment on the same article from Bennett Drug Stores of Jacksonville, Florida was a bit more verbose. It read: "Pardon us if we say, ME TOO!"

F. B. Crane and Sons of Mt. Pleasant, Iowa practiced strict word economy in voicing their approval of Clay McGrath's defense of guarantees. Across a clipping of his letter, which appeared in the December issue, they printed a big, black "AMEN."

Life's Little Problems

Gentlemen:

For Christmas I was given a beautiful Parker "51" pen and pencil set and a bottle of Superchrome Ink.

In reading the directions on the bottle of ink, I note the statement, "Keep Bottle Capped Always." Now my problem is: How am I going to fill my pen?

J. W. DeSouza
Salem, Oregon

On The Right Track

Dear Sir:

We were very interested in your item in a recent issue of "Parkergrams"—concerning the return of so many Parker Pens. Have thought quite a lot about that, the return of so many pens from our store. And have tried to figure out just why there are so many going back.

This morning I picked up my desk pen to write. The pen would not write so I proceeded to fill it. Upon removing the top end, I found that the plunger absolutely refused to "plunge." In fact I bent it in my effort to force it down.

This pen, of course, is being shipped today to you. As we have no repair department in our store we are powerless to do even minor adjustments. However, by flushing and cleaning the points when they have become clogged, we have been able to avert sending you a few.

Perhaps there is a way of educating the users and dealers in a means of the use and care of fountain pens. Our leading trouble is with leaky pens. Is there any way to forestall this?

We, of course, are among your smallest dealers. But we would be very glad to put forth an extra effort if we could assist in sending fewer pens back to the factory.

Yours for fewer returns in 1948.

Micky Maguire, Arlington, Texas

Ed. Note: The trick is in proper filling.

He Likes 'Em

Dear Sirs:

In December 1929 I bought my first Parker pen. From that date I have been a confirmed user of Parker and I have always been a very satisfied user who recommended Parker.

I went into my P.O.W. Camp in April 1941 with two Parker Vacumatics in my pocket, one filled with Parker Quink in black and the other one with the same ink in red.

Both these pens saved my life and that of a friend of mine during the most terrible starvation period in the Sumatra camps in the last six months of the war, because they were Parker. This means the same as "the most preferred and thus the most valuable pens." The empty stomach forced me with great sadness to sell the pens to keep me and my ill friend alive, because we sold already all our other properties with the hope to be able to leave the camp with my pens.

The Parker was the most valuable pen. That is why I could make enough with these two Vacumatics to help stand six months with an ill and weak friend.

After freedom I decided to buy a Parker again as soon as possible. But the first Parker "51" pens were too expensive on the black market so that I had to wait until now some weeks ago, when I bought my "51" in brown during my short stay in Singapore for the price of \$40.00 (straight dollars), a big amount to me as a simple government servant.

My dealer told me that these "51" pens are sold just like the former Vacumatics, with the same "Lifetime" conditions. My Vacumatics were unconditionally guaranteed; bought from G. Kolff & Company in Batavia, your agent for the N.E.L.

Unfortunately I dropped my new pen by accident within an hour after I bought it and it broke. But my dealer regretted that he could not replace the broken holder and he also could not give me another "51" for the broken one. He only advised me to send the pen back to the factory.

My former Vacumatics (and even my old true Duofold) was dropped many times. Once, during a Japanese camp examination, I even had to drop my pens and so stay on them with my full weight. They were still good.

At the same time with this letter I send you the broken "51" however without the cap to keep the post-parcel as light as possible.

I hope Sirs, that you will be so kind to replace the broken holder free. I regret that I am not able to send you money for paid post returning the pen after repairing because we are still not allowed to send money to foreign countries. I thank you very much for doing it.

F. L. H. Olivier
Tandjong
Pinang (Riouw) N.E.I.

Could Be

Here's one man's reaction to the sudden consumer preference for black pen barrels.

Could there be any connection between the Nov. '46 exodus of the more colorful, flamboyant Democratic Party and return to power of the more conventional and reactionary GOP's?? I am sure Mr. Taft must carry a black "51".

I am NOT a Democrat!

M. B. Floor, Manager
Northeastern University Book Store
Boston, Massachusetts

Faster, Please!

Dear Sir:

Here's a subject dear to the heart of your "Authorized Service Stations." We find that recently it takes over three weeks to get parts exchange packages from the factory. As a result, and in spite of the fact that we have several times increased our inventory of parts, we find that we are often short of parts, especially nibs and pencil mechanisms. Right now we have two packages out at the factory and are ready to send a third. We send our packages special delivery and ask to have them returned likewise with no compliance from your shipping department.

Something should be done to speed up return of parts exchanges. I am sure other Service Stations experience the same difficulty. Faster return of exchange items and of new parts orders for that matter would be of great help to the Service Station operator and help him give better service to his customers.

Another suggestion would be to have local offices such as New York make such exchanges. This would lighten the burden at the factory and give immensely better service to dealers in local office areas.

Hubert M. Schoenberg
The Pen House
Newark, New Jersey

Hint For Teachers

Dear Sirs:

While making some duplicate copies of work (school work,) I made some notations with my Parker "51", thinking they would not print. The ink printed as well as the hectograph pencil and made as many copies.

I intend to use my pen instead of the clumsy pencil from now on. I pass this on in hopes you can use it to help sell more of this very satisfactory pen to other busy teachers.

Consuelo Faulkner
1000 Washington Avenue
Fort Worth 4, Texas

Prices Dip, But General Economic Fabric Appears Intact

We were in scant better position than dealers early in February to evaluate the downward glide of the commodity market in terms of this industry's outlook for 1948. If you had read only one newspaper you could feel relatively secure in an appraisal of the situation. But, if you had read more than one newspaper, listened to assorted news analysts on the radio, and followed the comments of opposing political hopefuls, you could suffer severe symptoms of confusionitis, and mild pains of uncertainty.

In order to provide dealers with factual rather than speculative guidance in drawing individual conclusions, we have undertaken to sift from the news the contributing negative and positive factors. Remember that this is written at least three weeks before you read it. The facts may have changed, but they are, nonetheless, facts at the moment.

Behind the market flurry is a recent history of commodity price incline to a dangerously high level. Since September at least, the stock market incline has not paralleled the commodity market. The philosophy of risk and speculation did not spread evenly over both markets.

The drop in the commodity market reflects itself in a reduced price for bread and butter, the No. 1 factor which bears on wage levels.

If prices for the necessities of living come down reasonably, large-scale agitation for general wage increases this year might generally dissipate. Price-wage equilibrium could result from this and business could devote more financial horsepower to distribution problems—horsepower which might otherwise have been needed to pay a higher cost of wages to be redeemed in higher prices for products with nobody benefiting.

The prosperity wheels, under this condition, would keep turning in the U.S. The main gain in this would be TIME. Time is important now when foreign countries are struggling to rebuild their economy to a competitive level. Once that is achieved, they can sell to us, and acquire the dollars to buy from us. There is less ultimate danger of a world-wide depression when there are 2 billion consumers roundabouts, than when there are 140 million.

What happens to wage levels and consequently to prices the next few months is an important factor in whether we have a depression, recession, respite or continued prosperity.

Personal incomes are high now—at the present rate per month they will reach 210 billion in 1948 without further wage advances. Take the tax lump out of that and there is a probable disposable or spendable total of 187 billion.

Aside from income, people have a good reserve of liquid assets. There are \$31 billion outstanding in E Bonds, \$44.9 billion in savings accounts, \$54.7 billion in checking accounts and some \$24.5 billion in wallets, purses and trouser pockets.

There is also the debt factor, but the picture bears little resemblance to 1929 when everybody in town owed 14 installments on

a house, washing machine and an appendectomy. A weighted combination of income, taxes, debt and cash indicates that there is a buying power of \$177 billion.

Based on past habits, it is likely that the buying power will express itself to the tune of about \$49 billion for services, \$128 billion for goods. That \$128 billion is a mirror of retail store sales. It almost all passes through retail hands.

The consumer price index for all items stood at 167 going into 1948. For the sake of comparison, the price index was 100 in 1940, 153 at the beginning of 1947. Alongside the price index of 167, put the average hourly earnings of people in all manufacturing establishments as your typical consumer. That figure was \$1.27 going into 1948. For a loose rule of thumb, the rela-

tionship (and never forget that prices and wages are close relatives) stands now at 4-3. It was 5-3 in 1940, 5-3 2/3 at the beginning of 1947. Whenever that relationship begins to jiggle very much, you've got the rumble of economic indigestion.

The factor of inventories weighs heavily in determining how well a manufacturer or retailer is situated whenever business operates in a questionable climate. Starting 1948, manufacturers' inventories of goods either raw, in process or finished totalled \$23 billion, up \$3 billion from the start of 1947. Retail inventories were \$11 billion, up \$3 billion in a year. If you figure that an inventory should be carried at about 35 per cent of annual sales, inventories are still \$4 billion short of that level.

The trick would seem now to be to keep prices and wages in a happy relationship. There are few circumstances justifying an attitude of "This is it," or any other synonym for depression. Our hunch is that if the businessmen of the nation will keep their daubers up, their sales people busy, their wages steady, and let prices seek their natural competitive lowered level, it is a good gamble that the political forces at work will do the remainder necessary to avert a season of gloom in 1948.



General Dwight Eisenhower signs the guest book at the National Press Club after announcing his intention to retire as Army chief of staff. With him are Joseph Short, president of the National Press Club, and General Omar Bradley, who succeeds him.

Meet The Janesville People Who Write Some Of Those Letters

According to the January issue of American Business, Parkergrams is an "unusually frank" publication. That's all the excuse we need to talk about the correspondence which flows between Janesville and dealers and pen owners.

We had to wait until a good many million "51" pens were distributed before we received an indisputably first prize complaint letter. It was from a columnist on a Washington, D. C. newspaper.

"I am enclosing herewith one \$12.50 copy of the World's Most Wanted Pen. I don't want it. It doesn't write. It never did write. It probably never will write.

"I suggest that you balance it on end—if possible—and sit on it."

In due course a reply went back to the columnist.

"The fault with your pen was not serious. It was about the same situation as buying a copy of your newspaper and finding the ink on one page smeared beyond legibility. That can happen in the best of newspapers.

"The little lady who opened your letter did not follow your suggestion for balancing the pen on one end, etc. She was amused, however, that you personally had finally discovered a use for pens which won't write. The consensus in the Sales Department, however, is that although your idea is unique it would be a waste of time for you to copyright it because it won't sell."

Within seventy-two hours we had another letter from the newspaperman.

"Thanks and apologies to all concerned, especially the little lady who opened my letter. The pen now writes a mile a minute and I am shouting Parker '51' from the housetops.

"The boys at the Press club agree with you that I couldn't sell my idea, even if I could patent it.

"They pose a new problem for your Sales Department, however. What the newspaper business needs, they say, is a fountain pen which will write—not under water, or in the air—but while the owner is under the influence.

"Please look me up the next time you come to Washington. I'm in room 1272 of the National Press Bldg., telephone National 5059. I owe you a drink."

Propos of the happy ending to this exchange of letters, we started thinking it would be a wonderful thing if the people who write letters in Janesville and the peo-

ple who send letters to us could become better acquainted and mutually discover each other to be lovable human beings. If that could happen, a great part of the verbal abrasives occasionally used on each other in business dealings would start to polish rather than scuff the surface of everybody's feelings.

We knew a pretty successful salesman some years ago whose philosophy regarding his dealers was that he never told them a lie unless it was absolutely necessary, and he had never found it necessary. Once in a while there would be a lot of argumentative dust stirred up between him and an account. The words—all true ones—flew so fast on occasion that outsiders used to think he was a cousin of all his dealers.

Maybe that's an important clue to good relations among neighbors, business associates, or among nations for that matter. If you can get people close enough together that they can see each other, and talk things over, there isn't enough distance left for an area of suspicion.

Wouldn't it be nice if this company were located two blocks down the street from all dealers. Matter of fact there are a couple of dealers within two blocks of here and there hasn't been a bone of contention chewed with them in 59 years. If they aren't happy they can simply lean out the window and cuss us. Maybe that's why they don't. More likely they know first-hand that we are the same kind of people they are, with the same hopes and aspirations, the same human nature, and the same sort of shortcomings on occasion.

Whenever we get the feeling "wouldn't it be nice if—" that's the time to stop "iffing" and to start "doing."

That's why we are introducing to dealers these 14 people here at Parker Pen in Janesville who write most of the letters about those abrasive subjects such as orders, shipments, returns, billings, credit, and collection.

If you get a letter signed F. Bell which causes you grief, from now on don't write back, "Dear Mr. Bell." Instead, try "Dear Miss Bell: Now, look here, Fran, you and I have been fussing around with this pen business for 10 years. We haven't got any problems so big we can't work them out amicably. By amicably I mean work them out the way I WANT THEM."

It's worth a try.



J. J. Leary

Sales Department

Miss O'Leary is secretary to J. F. Crowley, wholesale sales manager—a white-collar job that includes a lot of spade work. But Florence is no novice at digging for facts. Her previous job as supervisor of the order department has put her in the expert class.



V. M. Hefferon

Collection Department

If you unintentionally forget us around the 10th of the month, you're likely to find a note from Miss Hefferon in your mail. Virginia dabbles in dramatics and projects musical. Anytime you want to change the subject in correspondence with her, try one of these hobbies.

Editor's note: Because we couldn't get pictures of the people who write to dealers from our New York, Chicago, and San Francisco offices in time for this issue, we're introducing the Janesville folk only on these pages. You'll meet the others in an early issue of Parkergrams.



F. Heery

Department

secretary to J. F. Craws manager—a white-collared a lot of spade work. o novice at digging for job as supervisor of the as put her in the expert



Ray F. Eis

Service Relations Manager

Mr. Eis is lean, tall, and quiet, and somehow you expect a Texas drawl to complete the picture. But, actually, Ray hails from Escanaba, Michigan. Among a host of other things, he's always on hand to help dealers with their service problems, so, if you have any questions about service, he's your man.



M. Wright

Sales Department

Miss Wright is right-hand gal to D. H. Gullett, manager of the Janesville Division. Margaret has a keen sense of humor and a knack of getting things done. She's just the person to have around if you want help in expediting a rush order.



L. Durant

Audit Department

When you start getting extra generous and pay us more than we ask, or pay us twice for the same merchandise, you have a good chance of getting a letter from Miss Durant. Of course, if your check is somewhat on the light side, you'll also hear from Lucille—even more loudly.



Hefferson

Department

onally forget us around nth, you're likely to find Hefferson in your mail. i dramatics and projects you want to change the ndence with her, try one



J. Sweeney

Collection Department

Should you ignore Virginia's reminders, you'll probably eventually hear from Mrs. Sweeney—that is if you live anywhere in the alphabet from Alabama to Newark, N.J. Joyce is one bride whose husband isn't subjected to burnt toast. Her idea of a wonderful time is cooking dinner for 12.



E. Urbanowski

Collection Department

Miss Urbanowski is Joyce Sweeney's partner, and the rest of the country—from Palmyra, N. J. to the end of the alphabet—belongs to her. Esther has just as much energy as her typewriter and finds square dancing a perfect way to use it up. She's also fond of sports—athletics, that is.



W. B. Kaiser

Sales Department

One of Mr. Kaiser's favorite topics is the \$5,000,000 crop of display cases now enhancing dealer stores. He had a hand in purchasing them, worked with the manufacturer, and supervised distribution. But the one subject on which Wally is most eloquent is his two-year-old daughter, Charlene Ann.



J. Joyce
Sales Department

Although she's a hometown girl, Miss Joyce more than likely thinks with a southern accent. As girl Friday to Southern District Manager G. W. Whiteside, she knows the front names of scores of dealers down Dixie way. In Gen's personal preference poll, they rate top place.



M. A. Wright
Service Correspondence

Some day we expect Miss Wright to author a treatise on the care and feeding of aged pens. The things fascinate her. Midge also collects other antiques with emphasis on rare china, and—if you're a fellow collector—she'll swap stories or cups or saucers with you any day.



Barrett
Audit Department

It's our guess that Miss Barrett knows more out of the way places of interest in this state than any other six citizens. When not analyzing accounts or doing something equally complex, Claire is usually at the wheel of her car heading for one of Wisconsin's many lakes.



J. W. Dawdy
Sales Department

Mr. Dawdy can out-sleuth Charlie Chan or a pack of highly-trained bird dogs when it comes to tracking down a missing order. Of late, most of John's leisure time is spent keeping track of his 14-month-old son, and studying house plans.



F. Bell
Sales Department

Miss Bell has been handling sales correspondence just about long enough to make her an unlicensed graphologist. Fran probably has more friends among the dealers than anybody else in the company—probably carries on a personal correspondence with some of them spare time.



E. M. Leary
Collection Manager

You'd expect a collection manager to look much more grim than this. Actually, Mrs. Leary's philosophy is that the best way to be happy is to keep dealers happy. Of course, there are some others on Elsie's list of people to please. Most important is her husband, Ed.

The Spotlight Is On Current Profit Sharing Commissions

Reports from the field indicate that the Parker profit sharing commission plan, or schedule of rebates, is occasionally at the core of the relationship, good or bad, between this company and our dealers.

It was in April of 1947 that the current schedule of rebates was activated.

The memory of most dealers will go back to the depression years when a rebate of 16 2/3% applied to the purchase of \$1000 of goods from this company—contrasted with the current requirement of \$2500.

That change was of no moment to dealers selling comfortably over the \$2500, but it was a source of considerable concern to a great many whose business was uncomfortably close to \$1000.

We have no record of fumbling for the keyhole in the dark at the time the changes in the schedule were made and so there must have been some pretty good reasons, and some fairly ample justifications.

The criticism, generally, has been that Parker appeared a bit arbitrary. That is a case of seeing the situation entirely through the eyes of the distressed dealer. If you were to look at it entirely through this company's eyes, the situation would appear to be in drastic contrast.

Somewhere in between is the objective viewpoint, perhaps using one of the dealer's eyes, and one of Parker's. And these, we believe, are the factors.

In the 1930's, when a quantity purchase of \$1000 earned the maximum 16 2/3% rebate, there were nearly twice as many Parker dealers as in 1947. And there was just one-sixth of the total sales volume. Twice as many dealers split up one-sixth the total sales and total profit. It was tough, plenty tough, to sell \$1000 in Parker business. The task was aggravated considerably by receiving across the counter an average \$5.26 per sale, not the \$13.23 of 1947. In those days dealers had more grounds to complain about the rebate deal, yet few did so. If you stop to figure it out a dealer earned the 16 2/3 per cent rebate in the 30's by selling seven pens a week at \$5.26 each. The same dealer earned it in 1947 by selling seven and one-half pens at \$13.23 apiece. There's not much difference except the price.

Along came the \$12.50 pen in 1941. The time was ripe for it, as sales have shown. Then, in six years, the pen business doubled, trebled, then folded itself over again on top.

In 1947, the pen business in total slipped off. Name your own percentage. We guess it at 40% drop. Yet the "51" pen, and Parker total sales stayed up. Instead of a drop we enjoyed the largest sales volume in the history of the company, perhaps the largest volume ever done by a pen company in one year, not that it matters.

What does matter is that the volume was achieved with fewer dealers than any major competitor, without price-upping to compensate for higher costs of manufacture, without price-cutting to gain turnover speed, and with a pigmy-sized line of merchandise which minimized the \$ a dealer had to tie up in \$1, \$2, \$3, \$4, \$5, \$6 and umpty-ump

more different prices, styles, colors, models, points, conventional or ball points, etc., etc., as offered by competitors. We turned down applications for Parker franchises by the bucketful.

The accusation of high-handedness is a peculiar harvest to reap from that. Perhaps some dealers felt that the entire reason for the phenomenal consumer demand for, and acceptance of, the "51" pen consisted of various kinds of dealer support particularly at the point of sale. We wouldn't argue that point because we know that dealer support is a prime and necessary ingredient in any successful product. But we would insist that product design and engineering, a close adherence to precision standards in manufacturing, consumer advertising, and display and counter aids, to name a few, were also prime ingredients.

It is difficult to believe that dealers protected by a Parker franchise would soberly condone the idea of limiting Parker accounts numerically to their financial advantage and at the same time would criticize our increase of 2 1/2 times the volume required for maximum rebate. Not when Parker dealers' business is up six times pre-war, when retail inventory is at low ebb, and heavy profits are being harvested. Not when it has

been, and continues to be not noticeably tougher to sell \$2500 of Parker pens than to sell \$1000 of another make.

Just to pin this situation on the bulletin board once more for everybody to see again and give a second thought, here is a repeat of the April 1947 statement on profit sharing commissions. The language of the announcement is terse, but the implications ought to be as musical as a cash register bell. It's in force for all Parker dealers in 1948.

If the aggregate of shipments of Parker merchandise (exclusive of writing fluids) to the Dealer during the calendar year 1947

equals or exceeds \$350 but does not equal \$1000	5%
equals or exceeds \$1000 but does not equal \$1500	7 1/2%
equals or exceeds \$1500 but does not equal \$2000	10%
equals or exceeds \$2000 but does not equal \$2500	12 1/2%
equals or exceeds \$2500	16 2/3%

Such commissions at the appropriate rates when and if earned will be paid by Parker from time to time, with necessary adjustments after the close of the year, as a credit to the dealer's account to apply against future purchases.

Such credit will not be made until all Parker merchandise upon which it is computed has been paid for by the dealer. Such commissions are not deductible by the dealer from any account owed Parker.

Training School Parries In Dilemma Of Supply And Demand

Requests for attendance at the Parker school for retail sales people have reached such proportions that we better tell everybody what's going on before somebody gets his feelings hurt.

As just one example, we had a request for the full two-day school for some 95 sales people in a few stores owned by the same firm. The expense of providing the school in that case would be pretty close to \$1000. Those particular stores sell only ink and their volume doesn't net a profit to this company of \$1000 a year. However, we are going to put the school on for these folks, but if we do that enough times, we'll be out of business. Somewhere along the line we'll have to draw a line.

One way that this is being handled is to supply on lend-lease, a packet of the training films to large stores or to a group of stores for a store-wide showing. The full details of this plan are available on inquiry to our sales department.

Briefly, there are four slide films made available, the ones least concerned with selling Parker products, most concerned with general sales psychology and technique. The rental is \$1.00 a month and a year's rent is charged to the account in advance. The lease can be broken at any time and the unused portion of the \$12.00 rent is refunded. The

only requirements from this end are that the pen department personnel of the store or stores see the entire training course before the packet deal is released for store-wide use, that all four slide films be shown, and that their use be confined to retail sales people in the store or group securing the packet.

There's not any direct profit in this packet proposition unless you evaluate good will as highly as we do, but the \$ loss is minimized.

Before anybody rushes to the telegraph office to order the packet, or to have their pen department people take the training course to qualify for the packet, let us put a governor on that impulse. We have not an unlimited supply of the packets and we hope to use them on a rotating basis. There may be a delay. Somebody may have to stand in line awhile. We are playing no favorites, but the demand could run heavy.

reaction to the sudden change for black pen

ny connection be- 16 exodus of the boyant Democrat- a to power of the and reactionary re Mr. Taft must

ocrat!
Floor, Manager
iversity Book Store
Massachusetts

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rvice Stations." We
t takes over three
exchange packages
as a result, and in
at we have several
inventory of parts,
often short of parts,
pencil mechanisms.
two packages out at
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Consuelo Faulkner
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Credit Lines And Good Will Figure In Current Economic Picture

This issue of Parkergrams is economics-minded and elsewhere there are articles all doing a dance around the writing instrument business prospects for 1948. This particular article wants to talk about one figment of that whole picture—credit lines.

Starting about 1926, it became peculiarly fashionable to buy things which people couldn't pay for with cash. You could have a refrigerator delivered to your home for \$1.00 down. The period over which an automobile purchase could be financed often outlasted the car.

Then along came 1929 and 1930. The banks suddenly had a lot of paper, but it was white, not green. Collection agencies thrived, but nobody else did.

The over-extension of credit lines is an engraved invitation to economic trouble at the worst and ill-will among friends at the best.

The main reason for saying this right now is that there have already been a few probes from a few dealers for special and elongated terms of sale on our products. It is doubtful that any manufacturer wants to shout a loud and belligerent NO to such a suggestion, or such a request from a valued account. Good will is a prime asset. In acquiescing to gain a competitive advantage in that particular store, or to retain the good will factor, a manufacturer would almost automatically lose a plank or two in the strength of his financial structure. Sacrifice enough of those planks and the first blast of an economic headwind will tumble the whole house. And here's why.

A manufacturer needs a place to work, raw materials, labor and merchandising oomph—just as a dealer needs a store, finished goods, hired help and sales oomph. The manufacturer orders what he needs (his credit being good), and has to pay on

a 30-day basis or oftener. If he allows deferred payments from dealers, he has to go out and borrow money at interest to conduct his business. As you know, today's tax schedules do not make it easy to build a reserve for the unforeseen. The whole idea of extended credit for a manufacturer is much the same as a dealer putting consumers on charge accounts to be paid six months or nine months later.

There is an underlying philosophy in all of the policies inaugurated or tightened at Parker the past two years. We have been determined to hold the price line on the "51" pen and to retain all the ingredients of the particular merchandising formula which has made it a stand-out among all pens ever sold. To accomplish that, we have had to absorb increased manufacturing costs and to impose some penalizing policy changes on dealers. They may not have added to our popularity among the trade but they have been highly profitable for dealers and for us alike. And the consumer has been the big gainer.

There may be considerable pressure brought on manufacturers in the next twelve months to liberalize their terms of sale in the form of long datings. We will oppose that pressure for the reasons stated, and we hope that thoughtful dealers who want to help make the industry reasonably depression-proof will lend their support to us and to the other manufacturers who eye the long range future as we do.

Forbes Indexes Indicate Prosperity

(continued from page 1)

lo was the city showing the greatest increase (19 per cent), ahead of Tulsa with 18. Houston was third with 17. Detroit and Denver showed gains of 16 and 15 per cent, respectively, and Albany, Pittsburgh, Charleston, Memphis, and Bismark were all up 14 per cent.

Comparisons with December 15 take a bit of the shine off the above story. While half the areas continued the upward climb, the other half slipped a notch as they crossed the threshold of the new year.

The Middle Atlantic, South, and Pacific zones all showed a 2 per cent gain, and the Midwest was ahead by 1 per cent.

Of the lagging sections, the South Central was most sluggish, showing a 6 per cent drop from the December 15 index. New England dropped 4 per cent and Mountain and North Central were each down 3.

In many businesses, January is traditionally the basement of the year. Don't go around telling our competitors, but January orders coming into Janesville this year were ahead of last year.

But It Won't Write

Bertrand Carbonnel of Dodge and Seymour's Manila office tells us that the reproduction of the pen on their new delivery van is so realistic that many people suspect it's an actual jumbo-sized pen.

This van is something of a work of art. Mr. Carbonnel had a hand in designing the panel and personally supervised the work. The use of much gold relief against a black background gives the van a richness that, we are told, makes it the most distinguished looking van in Manila.

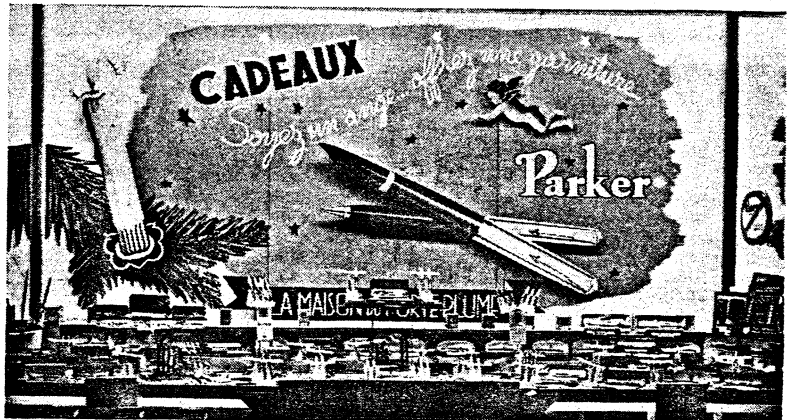


Appearances Can Fool You

An interesting piece of literature came in the other day. It looked pretty much like a Sunday supplement, and it wasn't until we reached page two that we realized it was really a brochure circulated by a jeweler. Scattered through its pages were pictures of practically everything you can find in a jewelry store.

Tucked away inside near the last page was an order blank—just to make things easy for the customer. This traveling jewelry display was put out by J. J. Smith's jewelry stores in four Wisconsin cities.

Among The Angels



While we have a prejudiced regard for writing instruments, we never expected to see them keeping quite such ethereal company. This unusual Christmas display appeared in the window of La Maison du Porte Plume, a fountain pen specialty store in Brussels.